# GOVERNMENT OF INDIA
# AGRO AND RURAL INDUSTRIES
# LOK SABHA

UNSTARRED QUESTION NO:888
ANSWERED ON:01.08.2006
UNITS UNDER PMRY
Siddeswara Shri Gowdar Mallikarjunappa

**Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:**

(a): the total number of Agro and Rural Industries units closed under Prime Minister Rozgar Yojana (PMRY) and net outstanding loan amount held up therein, year-wise, State-wise and unit-wise; and

(b): the steps taken by the Government to revive such units under PMRY?

## Answer

MINISTER OF SMALL SCALE INDUSTRIES & AGRO AND RURAL INDUSTRIES (SHRI MAHABIR PRASAD)

(a): According to the findings of the 2nd round of evaluation study of the Prime Minister`s Rozgar Yojana (PMRY), conducted by the Institute of Applied Manpower Research, Delhi, 17.5 per cent of the units surveyed were found closed. The State-wise details of cumulative outstanding loan at the end of March 2002, March 2003 and March 2004 under the PMRY, as reported by the Reserve Bank of India (RBI), are given in Annexure. Separate data on outstanding loan amounts against closed units started under the PMRY are not maintained by the RBI.

(b): The various measures taken by the Central Government to facilitate timely identification and rehabilitation of potentially viable sick small scale industries also apply to units set up under PMRY. For this purpose, the RBI had issued detailed guidelines to banks in January 2002 on detection of sickness at an early stage and taking remedial measures, and for rehabilitation of sick SSI units identified as potentially viable. These guidelines include, inter alia, change in the definition of sick SSI units, norms for deciding their viability, concessional finance, etc., with a view to helping the banks in detecting sickness at an early stage and taking corrective action for revival of the potentially viable sick SSI units. As announced by the Central Government in the `Policy Package for Stepping up Credit to Small and Medium Enterprises (SMEs)` on 10th August 2005, the RBI has issued detailed guidelines on 8th September 2005 relating to debt restructuring mechanism to facilitate restructuring of debt of all eligible SMEs (including SSIs). These guidelines include, inter alia, viability criteria, prudential norms for restructured accounts, additional finance, time frame for working out the restructuring package and its implementation, etc.